

UNITED STATES BANKRUPTCY COURT

Southern DISTRICT OF Texas

Houston Division

In re: Epic Companies, LLC, et al.

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Case No. 19-34752

Lead Case No. 19-34752

Debtor(s)

☒ Jointly Administered

Post-confirmation Report

Chapter 11

Quarter Ending Date: 11/19/2024

Petition Date: 08/26/2019

Plan Confirmed Date: 04/07/2020

Plan Effective Date: 04/13/2020

This Post-confirmation Report relates to: ☐ Reorganized Debtor

☒ Other Authorized Party or Entity: Epic Companies, LLC Liquidating Trust

Name of Authorized Party or Entity

/s/ M. Shane Johnson

Signature of Responsible Party

11/25/2024

Date

M. Shane Johnson

Printed Name of Responsible Party

Porter Hedges LLP

1000 Main St. 36th Floor

Houston, Texas 77002

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Debtor's Name Epic Companies, LLC, et al.

Case No. 19-34752

Part 1: Summary of Post-confirmation Transfers

	Current Quarter	Total Since Effective Date
a. Total cash disbursements	\$3,335,926	\$8,437,219
b. Non-cash securities transferred	\$0	\$0
c. Other non-cash property transferred	\$0	\$0
d. Total transferred (a+b+c)	\$3,335,926	\$8,437,219

Part 2: Preconfirmation Professional Fees and Expenses

a.			Approved Current Quarter	Approved Cumulative	Paid Current Quarter	Paid Cumulative	
	Professional fees & expenses (bankruptcy) incurred by or on behalf of the debtor <i>Aggregate Total</i>		\$0	\$3,089,508	\$0	\$3,089,508	
	<i>Itemized Breakdown by Firm</i>						
		Firm Name	Role				
	i	Porter Hedges, LLP	Lead Counsel	\$0	\$1,205,130	\$0	\$1,205,130
	ii	Lugenbuhl, Wheaton, Peck, Ran	Special Counsel	\$0	\$20,375	\$0	\$20,375
	iii	S3 Advisors, LLC	Financial Professional	\$0	\$1,619,586	\$0	\$1,619,586
	iv	Hilco Industrial, LLC	Other	\$0	\$65,000	\$0	\$65,000
	v	Kennedy Marr LTD.	Other	\$0	\$31,418	\$0	\$31,418
	vi	Keen-Summit Capital Partners	Other	\$0	\$147,999	\$0	\$147,999
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Debtor's Name Epic Companies, LLC, et al.

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b.			Approved Current Quarter	Approved Cumulative	Paid Current Quarter	Paid Cumulative
	Professional fees & expenses (nonbankruptcy) incurred by or on behalf of the debtor		\$0	\$86,700	\$0	\$86,700
	<i>Aggregate Total</i>					
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
i	Jones Walker LLP	Special Counsel	\$0	\$57,368	\$0	\$57,368
ii	Robertson & Robertson, PLLC	Financial Professional	\$0	\$25,000	\$0	\$25,000
iii	Kenneth W. Robichau	Financial Professional	\$0	\$2,700	\$0	\$2,700
iv	Bradley, Arant, Boult, Cummin	Special Counsel	\$0	\$1,632	\$0	\$1,632
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c.	All professional fees and expenses (debtor & committees)			\$0	\$4,314,964	\$0	\$4,314,964

Part 3: Recoveries of the Holders of Claims and Interests under Confirmed Plan

	Total Anticipated Payments Under Plan	Paid Current Quarter	Paid Cumulative	Allowed Claims	% Paid of Allowed Claims
a. Administrative claims	\$0	\$0	\$987,463	\$987,463	100%
b. Secured claims	\$0	\$0	\$0	\$0	0%
c. Priority claims	\$0	\$0	\$89,812	\$89,812	100%
d. General unsecured claims	\$0	\$3,237,527	\$3,237,527	\$49,808,125	6%
e. Equity interests	\$0	\$0	\$0		

Part 4: Questionnaire

- a. Is this a final report? Yes ☒ No ☐
- If yes, give date Final Decree was entered: 11/19/2024
- If no, give date when the application for Final Decree is anticipated: _____
- b. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐

Debtor's Name Epic Companies, LLC, et al.

Case No. 19-34752

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information and provision of this information is mandatory. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6) and to otherwise evaluate whether a reorganized chapter 11 debtor is performing as anticipated under a confirmed plan. Disclosure of this information may be to a bankruptcy trustee when the information is needed to perform the trustee's duties, or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." *See* 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case, or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Post-confirmation Report and its attachments, if any, are true and correct and that I have been authorized to sign this report.

/s/ Jeffrey T. Varsalone

Signature of Responsible Party

Liquidating Trustee of the Epic Companies, LLC Liqu

Title

Jeffrey T. Varsalone

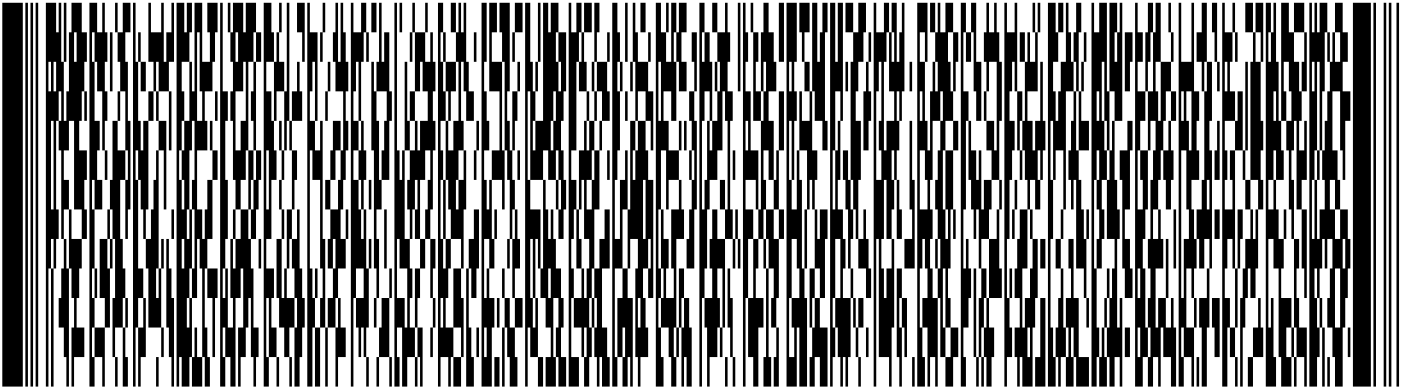
Printed Name of Responsible Party

11/25/2024

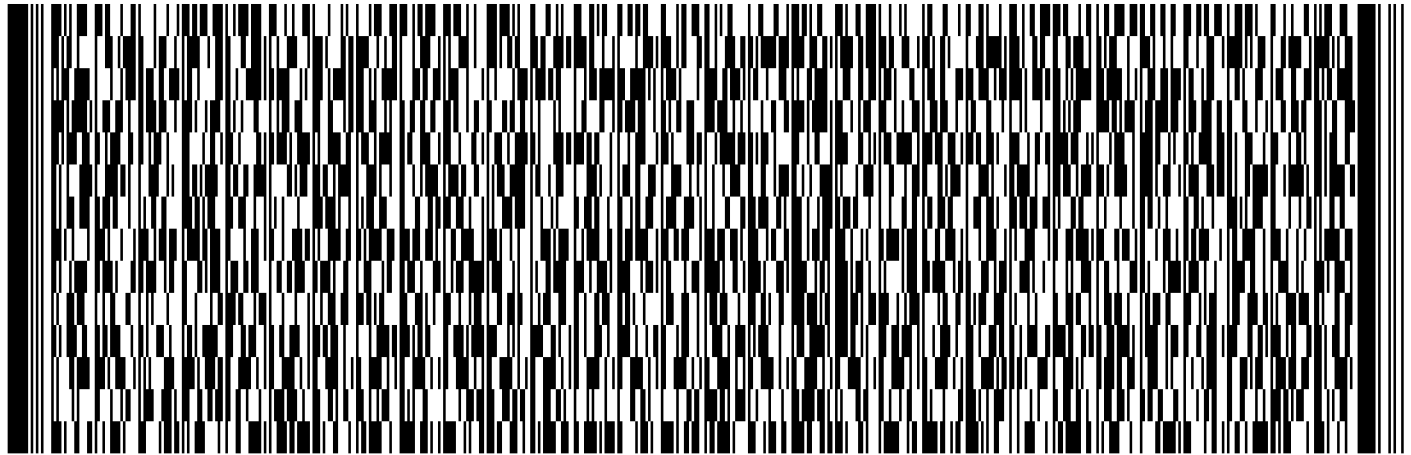
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Debtor's Name Epic Companies, LLC, et al.

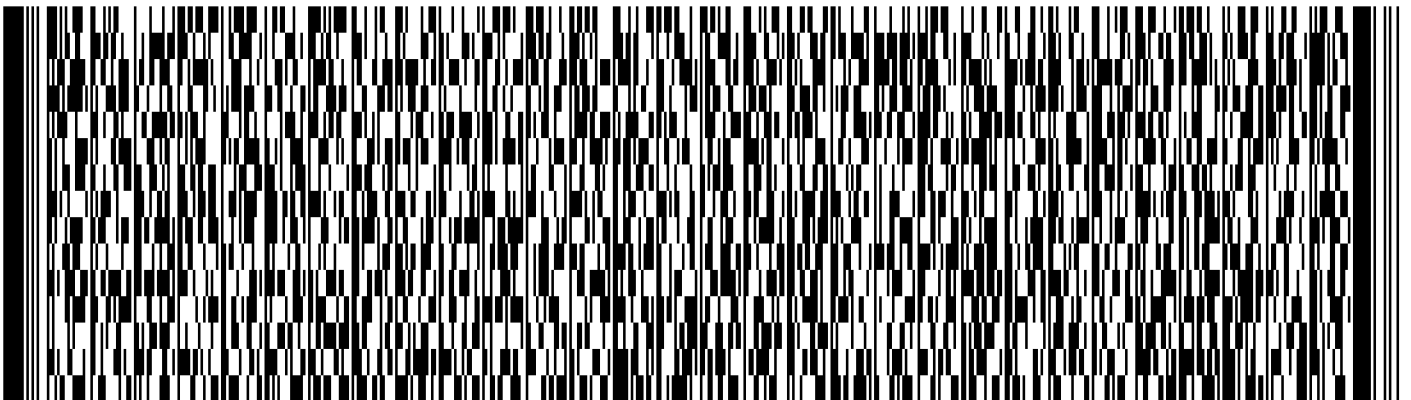
Case No. 19-34752



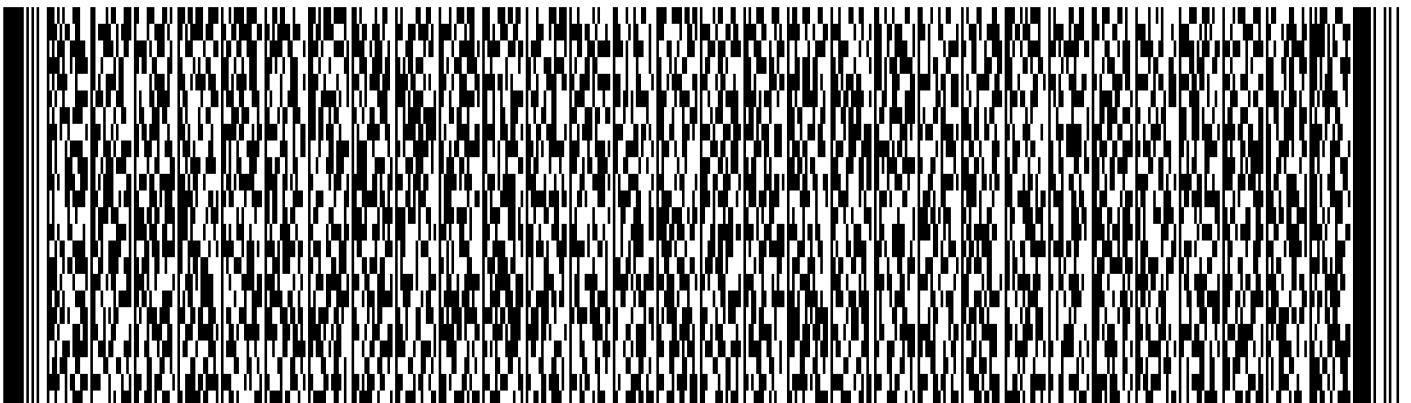
Page 1



Other Page 1



Page 2 Minus Tables



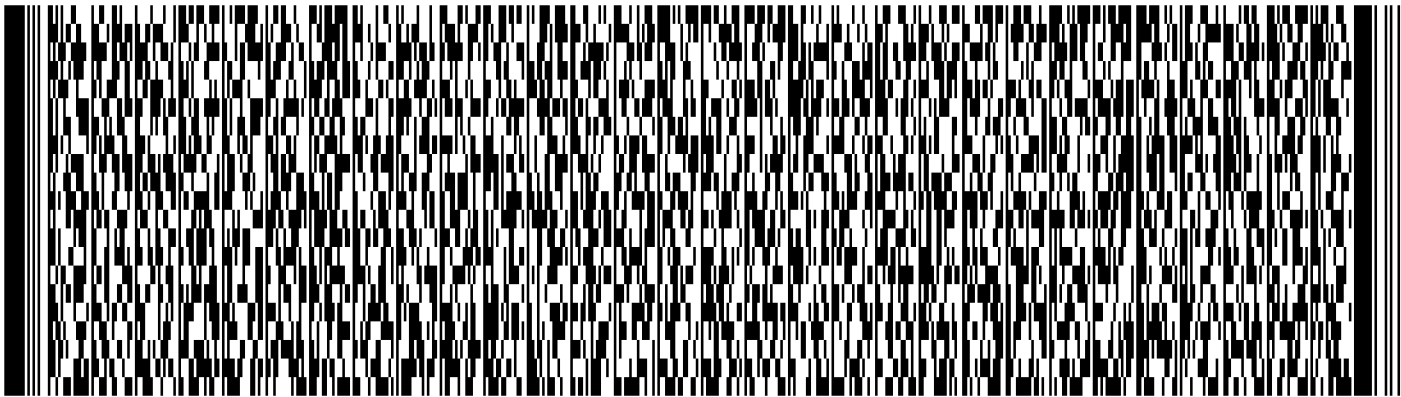
Bankruptcy Table 1-50

Debtor's Name Epic Companies, LLC, et al.

Case No. 19-34752



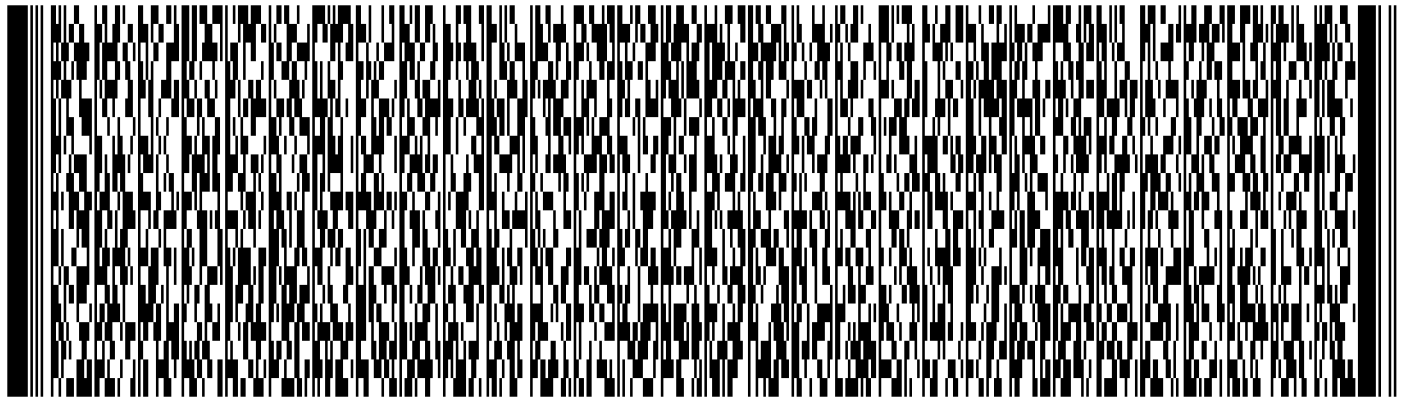
Bankruptcy Table 51-100



Non-Bankruptcy Table 1-50



Non-Bankruptcy Table 51-100



Part 3, Part 4, Last Page

In re: EPIC Companies, LLC, et al.

Case No. 19-37452 – Bankr. S.D. Tex.

Reporting Period: October 1, 2024 through November 19, 2024 (Q4-2024)

Notes to the Quarterly Post-Confirmation Report

Debtors

On August 26, 2019, EPIC Companies, LLC and certain of its subsidiaries (collectively, the “Debtors”)¹ filed voluntary petitions for relief under chapter 11 of title 11 of the United States Bankruptcy Code.

On April 7, 2020, the Court entered an *Order Approving Plan Proponents’ Disclosure Statement and Confirming Plan Proponents’ Joint Plan of Liquidation of EPIC Companies, LLC and its Debtor Subsidiaries Under Chapter 11 of the Bankruptcy Code* (the “Confirmation Order”) (see Dkt. No. 681). The Confirmation Order deemed consolidation of the Debtors’ estates provided for in the Plan of Liquidation. On April 13, 2020, the Effective Date of the Plan of Liquidation occurred (see Dkt. No 688), and the EPIC Companies LLC Liquidation Trust (the “Liquidating Trust”) was established to administer the winddown of the Debtors’ estates.

The Liquidating Trust maintains one bank account and since the Plan of Liquidation deemed the consolidation of the Debtors’ estates for distribution purposes, a quarterly post-confirmation report (“PCR”) is only being prepared and filed in the Lead Case of In re Epic Companies, LLC, No. 19-34752. Quarterly United States Trustee Fees will be paid for all open cases, see below related to Part 4.²

On November 19, 2024, the Court entered an *Order Closing the Remaining Chapter 11 Cases* (see Dkt. No 1171). Therefore the Liquidating Trust is filing this final PCR solely for the purposes of reporting to the Office of the United States Trustee for the Southern District of Texas, Houston Division, (the “U.S. Trustee”) in accordance with the Instructions for UST Form 11-PCR: Post Confirmation Report (12/07/2022) (“PCR Instructions”). The following notes, statements, and limitations should be referred to and referenced in connection with any review of the PCR.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Epic Companies, LLC (1473), Epic Diving & Marine Services, LLC (2501), Epic Applied Technologies, LLC (5844), Epic Specialty Services, LLC (8547), Epic Alabama Steel, LLC (6835), Epic San Francisco Shipyard, LLC (5763) and Zuma Rock Energy Services, LLC (1022).

² On December 3, 2020, the Court entered a *Final Decree Granting Liquidating Trustee’s Motion to Close Certain of the Chapter 11 Cases* (see Dkt No. 786), and the following inactive cases were closed; Epic Alabama Steel, LLC, No. 19-34753; Epic San Francisco Shipyard, LLC, No. 19-34756; and Zuma Rock Energy Services, LLC, No. 19-34758.

Part 1: Summary of Post-confirmation Transfers

The table below is a summary of the current quarter's activity in the Liquidating Trust's bank account and assumes the disbursement of all cash for the purpose of calculating the final U.S. Trustee Fees.

	<u>Amount</u>
Cash - Beginning of Quarter	\$ 3,335,926.17
Receipts	
Disbursements:	
Administrative & Selling	3,332.60
GUC Distribution	3,237,527.02
Net Payroll	115.50
Remaining Cash on Hand ³	94,951.05
	<u>3,335,926.17</u>
Net Cash Flow	<u>(3,335,926.17)</u>
Cash - End of Quarter	<u>\$ 0.00</u>

Part 3: Recoveries of the Holders of Claims and Interests under Confirmed Plan

The Debtors' Disclosure Statement (Dkt. No. 582) did not include anticipated payment amounts for the classes provided in the PCR, but instead provided estimated recovery ranges per class, see table below. Therefore, the total anticipated payments are listed as \$0 in the PCR. During the current quarter, the Liquidating Trust issued the first and final pro rata distribution to all holders of allowed Class 5 General Unsecured Claims. These distributions were issued on October 8, 2024.

	<u>Total Anticipated Payments Under Plan</u>
a. Administrative claims	100% ⁴
b. Secured claims	
Other Secured Claims (Class 1)	100%
Prepetition Senior Credit Agreement Claims (Class 3)	91-94%
Prepetition Junior Credit Agreement Claims (Class 4)	61-66%
c. Priority claims (Class 2)	100%
d. General unsecured claims (Class 5)	1.0-11.3%
e. Equity interests (Classes 6-9)	0%

³ Remaining cash on hand for the wind down reserve to cover final professional fees and the payment of the final U.S. Trustee fee pursuant to this final PCR.

⁴ The Disclosure Statement did not explicitly list the recovery for administrative claims and noted that except for final chapter 11 professional fee claims, any holder of an administrative claim needed to assert such claim within 30 days of the Effective Date. Prior to the current quarter all administrative claims have been reconciled and the allowed claims paid in full. Therefore 100% is the assumed recovery under the Plan.

Part 4: Questionnaire

The Liquidating Trust is current with quarterly U.S. Trustee fees owed prior to the current quarter. The chart below summarizes the final fees due for the current quarter. The Liquidating Trust is in the process of facilitating the payment of these outstanding fees.

Debtor	Case Number	Current Quarter Fees Due
Epic Companies, LLC	19-34752	\$ 26,687.00
Epic Applied Technologies, LLC	19-34754	250.00
Epic Diving & Marine Services, LLC	19-34755	250.00
Epic Specialty Services, LLC	19-34757	250.00
		<u>\$ 27,437.00</u>

Reservation of Rights

The Liquidating Trustee reserves all rights to amend or supplement the PCR in all respects as may be necessary or appropriate to correct any inadvertent errors or omissions or for any other reason. Nothing contained in this PCR shall constitute an admission of any kind or nature or a waiver of any rights of the Liquidating Trust or the Liquidating Trustee, all of which are expressly reserved in full.

The Post-confirmation Report was executed by Jeffrey T. Varsalone solely in his capacity as Liquidating Trustee of the Liquidating Trust.